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Business and commercial Aviation

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DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

PIPER CONTINUING PRODUCTION AS WICKES PLANS LSI TAKEOVER

Piper Aircraft Corp. and its 1,100 employes in Vero Beach, Fla. were building aircraft and "continuing to function as we always have" last week despite ongoing speculation that the company would be shut down or spun off if Wickes Companies completes its planned acquisition of Lear Siegler Inc., Piper's parent company. Wickes and LSI announced an agreement last week under which Wickes would pay $93 per common share and $232.50 per preferred share—a total of $1.7 billion--for LSI. Wickes launched a tender offer under those terms last week aimed at acquiring all 17.9 million LSI common shares and the 177,000 preferred shares. That offer is due to expire Dec. 11. AFG Partners—a joint venture of AFG Industries and Wagner & Brown—had earlier offered $85 per common share for LSI, but later agreed to sell its LSI shares to Wickes (BA, Nov. 10/145).

Principals in AFG had indicated earlier that they were considering shutting down Piper's new aircraft production operations or selling them off to an outside buyer. Spokesmen for Wickes refused to comment on that company's plans for Piper, which served to keep the speculation rumors alive. A Piper spokesman said top Piper officials have received no indication of what Wickes plans for the company, but said the speculation is somewhat ironic because Piper is currently in better financial shape than at any time since LSI acquired it in February of 1984.

After suspending production of all but three models for four months early this year, Piper resumed most production work this spring (BA, April 28/129) and is currently building 11 different models ranging from the Warrior through the Cheyenne 400 LS. In addition, the company developed a backlog of orders that includes 156 aircraft kits for Embraer of Brazil, seven Cheyenne IIIAs for Lufthansa and Alitalia, 25 aircraft for the new British Aerospace training facility (BA, Nov. 3/139), eight Cheyenne IIIAs for the U.S. Customs Service with options for eight more and 10 Dakotas for Indonesia. The spokesman said Piper, which has lost money since LSI bought it, is very close to the financial breakeven point.

Acquisition of Piper, which was included in LSI's acquisition of Bangor Punta Corp., has been an expensive proposition for Santa Monica-based LSI. In addition to millions of dollars in operating losses incurred by Piper since the acquisition, LSI has set aside some $119 million in reserves for future product liability claims against Piper.

GAO REPORT SAYS MOST CONTROLLERS AGAINST REHIRING STRIKERS

General Accounting Office, in a soon-to-be-released report, says that most of the controller work force does not want their Professional Air Traffic Controllers Organization counterparts rehired. But Rep. Guy Molinari (R-N.Y.), a member of the House Public Works investigations subcommittee, calls the report an "incomplete and misleading analysis which ignores a number of important findings." Molinari says he intends to reintroduce legislation mandating rehiring up to 1,000 of the former controllers who sturck in 1981.

The GAO report says that about 60 percent of current controllers, supervisors and staff and 85 percent of facility managers oppose any rehiring. The report says that while more than 90 percent of those fired are interested in returning to FAA as controllers, about 58 percent of the current work

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NOW ONLINE WORLDWIDE

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BUSINESS/PERSONAL AIRCRAFT INDUSTRY – OCTOBER UNIT SHIPMENTS

		Oct. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	0	3
TB-10	Tobago	3	36
TB-20	Trinidad	3	27
TB-21	Trinidad TC	1	8
R110		0	1
R180		0	0
R235		0	0
TOTAL		7	75
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	1
BE-C24R	Sierra	1	5
BE-F33A	Bonanza	3	19
BE- F33C	Bonanza	1	22
BE-A36	Bonanza	7	44
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	12
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	2	22
BE-58TC	Baron	0	0
BE-58P	Baron	0	4
BE-76	Duchess	0	0
BE-860	Duke	0	0
BE-C99	Airliner	0	1
BE-C90-1	King Air	2	7
BE-F90-1	King Air	0	3
BE-B100	King Air	0	0
BE-200	Super King Air	0	20
BE-200C	Super King Air	0	1
BE-300	Super King Air	3	22
BE-200T	Super King Air	0	0
BE-1900C	Commuter	1	13
Beechjet 400	Diamond IA	2	13
TOTAL		23	209
Manufacturers net billing – $20,647,261.25			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	5	36
HS-748		0	1
BAe 146-100		2	11
BAe 146-200		0	4
HS-125-800	Model A	2	15
HS-125-800	Model B	1	3
TOTAL		10	70
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	0	1
BN-2T	Islander	1	6
Mark III	Trislander	0	0
TOTAL		1	7
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	1	11
TOTAL		1	11
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	4
CE-172	Skyhawk	1	115
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	1
CE-182	Skylane	0	38
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	0	7
CE-182RG	Turbo Skylane RG	0	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	6	58
CE-TU206	Turbo Stationair 6	3	29
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	2	27
CE-210	Centurion	0	11
CE-T210	Turbo Centurion	4	40
CE-P210	Pressurized Centurion	1	8
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	2
CE-335		0	0
CE-340		0	8
CE-402		0	1
CE-404	Titan	0	0
CE-406	Caravan II	0	2
CE-414	Chancellor	0	4
CE-421	Golden Eagle	2	6
CE-425	Conquest I	2	10
CE-441	Conquest II	1	2
CE-500	Citation I	0	0
CE-550S/II	Citation II	1	21
CE-650	Citation III	5	15
REIMS AVIATION			
• Single-Engine			
CE-F152		2	2
CE-F152	Aerobat	5	24
CE-F172	Skyhawk	6	11
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	6
CE-F182RG	Skylane RG	0	0
TOTAL		41	448
Manufacturers net billing – $40,471,037			
AVIONS MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	1	1
AD-My.20	Falcon	0	1
AD-My.200	Falcon	0	3
AD-My.50	Falcon	1	9
AD-My.900	Falcon	0	1
TOTAL		2	15
DeHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	2
DHC-6	Twin Otter	0	2
DHC-7		0	1
DHC-8		3	24
TOTAL		3	29
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	0	11
EMB-710	Carioca	0	0
EMB-711	Corisco	0	4
EMB-712	Tupi	1	8
EMB-720	Minuano	1	17
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	5	5
EMB-120	Brasilia	1	10
EMB-121	Xingu	0	3
EMB-810D	Seneca II	3	24
EMB-820		0	0
EMB-821		2	2
TOTAL		13	84
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	1
Fairchild 30		0	0
Merlin IV-C		0	0
Metro III		0	23
TOTAL		0	24
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		1	10
LR-36A		0	0

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		Oct. 86	Cal. Year
LR-55		1	4
TOTAL		2	14
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	0	10
GR-1159C	Gulfstream IV	2	2
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	2
TOTAL		2	14
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	1	5
	Astra	0	5
TOTAL		1	10
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		0	4
LA-250	Renegade	2	16
TOTAL		2	20
Manufacturers net billing — $488,430			
MAULE AIR INC.			
• Single-Engine			
M-5-180C		1	6
M-5-200		0	0
M-5-235C	Lunar Rocket	0	4
M-6-235		0	2
MX-7-180	Super Rocket	0	6
M-7-235	Super Rocket	0	0
MX-7-235		3	21
TOTAL		4	48
Manufacturers net billing — $206,021			
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201 Lean Machine	5	27
M-20J	205	2	13
M-20K	252	9	73
M-20K	231	0	1
TOTAL		16	114

		Oct. 86	Cal. Year
PARTENAVIA S.P.A.			
• Multi-Engine			
P68C		0	9
P68C-TC		0	3
P68	Observer	1	4
P68	Observer TC	0	2
Spartacus		0	1
TOTAL		1	19
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	*	0**
PA-28-161	Warrior	*	65
PA-28-181	Archer II	*	34
PA-28-236	Dakota	*	6
PA-28RT-201	Arrow IV	*	6
PA-28RT-201T	Turbo Arrow IV	*	1
PA-32-301	Saratoga	*	10
PA-32R-301	Saratoga SP	*	1
PA-32R-301T	Turbo Saratoga SP	*	5
PA-46-310P	Malibu	*	67
• Multi-Engine			
PA-31-350	Chieftain	*	1
PA-31P-350	Mojave	*	0
PA-31-500	Cheyenne I	*	0
PA-31-500	Cheyenne IA	*	2
PA-42-720	Cheyenne III	*	1
PA-42-720	Cheyenne IIIA	*	3
PA-42-1000	Cheyenne 400LS	*	3
PA-34-220T	Seneca III	*	31
PA-44-180	Seminole	*	0
PA-44-180T	Turbo Seminole	*	0
PA-T1020		*	0
PA-T1040		*	0
TOTAL		*	236
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	1
SD-3-60		4	16
TOTAL		4	18
	SINGLE-ENGINE	74	972
	MULTI-ENGINE	59	493
	GRAND TOTAL	133	1,465

** Piper figures include deliveries for January through September

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	October			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	7	18	*	75	*	*
Beech	23	11	36	209	234	349
British Aerospace	10	10	3	70	64	46
Britten-Norman	1	1	0	7	8	9
Canadair	1	1	*	11	6	16
Cessna	41	31	68	448	748	604
Dassault	2	2	4	15	16	23
De Havilland	3	0	1	29	31	20
Embraer	13	19	15	84	107	88
Fairchild	0	3	3	24	20	23
Gates	2	2	0	14	19	19
Gulfstream	2	4	3	14	47	41
Israel	1	*	3	10	11	7
Lake	2	1	*	20	19	23
Maule Air	4	8	8	48	73	46
Mooney	16	10	10	114	69	119
Partenavia	1	*	*	19	*	*
Piper	*	57	59	236**	458	522
Short	4	2	2	18	16	27
TOTAL	133	180	215	1,465	1,946	2,182

* Figures not available.

** Piper figures include deliveries for January through September.

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AIRPORT & AIRWAY TRUST FUND
Status As Of Aug. 31, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 8,529,480,550.66	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	5,654,000.00	62,366,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	218,000.00	2,475,000.00
2. Non-commercial 9 cents tax	2,423,000.00	32,458,000.00
3. Non-commercial 3 cents tax	808,000.00	10,556,000.00
4. Transp by air,seats,berths,etc.	215,950,000.00	2,216,969,000.00
Use of international trav fac	10,225,000.00	82,687,000.00
Transp of property and cargo	12,472,000.00	125,064,000.00
Total Tax Receipts	247,750,000.00	2,532,575,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	232.00	1,246.00
2. Any liquid fuel except gas	46,540.00	6,893,536.00
3. Gasoline -Retailer's tax	1,792.00	584,582.00
4. Gasoline -Manufac. tax	0.00	44,987.00
Total Reimburse For Tax Refunds	48,564.00	7,524,351.00
Net Tax Receipts	247,701,436.00	2,525,050,649.00
C. Interest on Investments	475,444.28	828,757,763.65
Net Receipts	248,176,880.28	3,353,808,412.65
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	0.00	428,346,635.34
2. Grants-in-aid for airports	65,639,445.71	769,118,243.64
3. Facilities & equipment	60,631,000.33	665,541,594.41
4. Research engineering & development	20,684,838.29	264,607,251.08
B. NOAA weather services	0.00	20,998,350.00
C. Interest on Refund of Taxes	19.00	954.00
Total Expenditures	146,955,303.33	2,148,613,028.47
IV. BALANCE - END OF PERIOD	8,630,702,127.61	8,630,702,127.61

STATEMENT OF FINANCIAL CONDITION

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	252.77	
Operations	0.00	
Grants-in-aid for Airports	11,832,883.12	
Facilities & Equipment	6,868,489.95	
Research Engineering & Development	87,135,487.11	
NOAA weather services	0.00	
		$ 105,837,112.95
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
9-3/8% maturing JUNE 30, 1987	$ 41,623,000.00	
9-1/2% maturing JUNE 30, 1987	59,514,000.00	
9-3/4% maturing JUNE 30, 1987	8,423,731,000.00	
		8,524,868,000.00
Total Assets		8,630,705,112.95
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 8,630,705,112.95
Total Liabilities and Equity		8,630,705,112.95

Treasury Department Chart